Chemical Strategies, Inc.

SUPPORTING STATEMENT

Chemical Strategies, Inc. (CSI) services more than 300 High Tech clients in the Bay Area. We are currently operating out of 3 different locations; Richmond, Oakland and Hayward, CA. In the past year our growth has exceeded 30% in the Bay Area and will do so again in 2016. We have identified a building to lease long term, located at 1251 Doolittle Drive, San Leandro, CA. This facility is approximately 120,000 sq. ft. and is an ideal facility for our use as well as a great central location in the Bay Area. We will employ approximately 15 to 30 employees at this new facility ranging from expertly trained chemical handling technicians to upper management positions.

CSI is an industry leading chemical distributor and supply management company. We specialize in safely providing a full range of chemicals and associated materials in various packages, sizes and grades.

Our customers include high technology companies in industries that include Aerospace, Defense Contracting, R&D and Semiconductor manufacturing.

In the years since our founding, we've become an integral part of the supply chain for these companies by providing a long list of services, ranging from chemical supply to full chemical management services including container management, on-site personnel and process support.

These customers demand the highest levels of safe and accurate handling of their materials. A simple mishap in the supply chain in some cases could interrupt their manufacturing processes causing them to lose hundreds of thousands of dollars per hour in lost production and employee down time. CSI is hired and routinely audited by these companies to ensure their materials are safely handled and delivered on time, in accordance with best known chemical handling practices. By providing these services our customers can focus on their core business proficiencies while we maintain the extensive training, documentation, facilities and equipment required to safely handle their chemicals.

CSI is the recipient of multiple prestigious awards from customers and suppliers alike in the service of our markets. These awards serve as recognition of our commitment to unparalleled standards concerning safety, service, and our constant focus on continuous improvement.

CSI holds the following Quality Certifications: ISO 9001, AS 9100, and the National Association of Chemical Distributors (NACD) **Responsible Distribution** certification.

- ISO (International Standards Organization) certification requires that you
 document every process in your operation and that you follow exactly what you
 document. (Say what you do, and do what you say) This audited certification
 ensures that you are continuously improving your processes and training your
 people to provide the safest and most accurate services to your customers..
- NACD (National Association of Chemical Distributors) Responsible Distribution is a third-party verified environmental, health, safety & security program that lets members demonstrate their commitment to continuous performance improvement in every phase of safe chemical storage, handling, transportation, and disposal. NACD members play a leadership role in their communities as information resources and are eager to provide the same assistance and guidance to local, state, and federal legislators on technical issues relating to the safe handling, storage, transportation, use, and disposal of chemical products.

From our corporate officers to our entry level employees, our team is dedicated to optimizing safety and efficiency in each function of the supply chain. From procurement of chemicals from manufactures, through transportation and handling and on-site personnel and process support for the usage of chemicals in our customer's production sites. Our dedication to these safe and efficient practices contribute significantly to the bottom line profitability of our customers which in turn provides customer satisfaction and drives ourgrowth.

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PROJECT DESCRIPTION

Chemical Strategies, Inc. (CSI) would like to use the 120,000 sq. ft. Building located at 1251 Doolittle Drive, San Leandro, California as its Premier Chemical Distribution Center and Warehouse. The plans call for approximately 50,000 sq. ft. to be used for chemical storage and the remainder to be used for non-hazardous 51 occupancy type warehousing. CSI plans to lease and utilize existing office space in the building sharing the parking lot with 1251 Doolittle Drive, for administrative purposes. The address for this office space is 2375 Davis St, San Leandro, CA 94577.

CSI will receive approximately 4 to 5 semi-trucks of materials per day and will perform bay area deliveries utilizing its own trucks. CSI has 3 trucks (1-48' Tractor Trailer, 1-40' Tractor Trailer and 1-24' Bobtail truck.) CSI plans to employ 5 to 6 upper management/office personnel and 14 to 15 warehousemen/drivers.

CSI plans to upgrade the current building in the following ways:

- 1. CSI will upgrade the building to current Bay Area seismic standards. This will include a retrofit tie system between the existing wall and roof framing.
- 2. During the seismic retrofit work, a new or partial rebuilt roof will be required.
- 3. The building will be completely cleaned up and repainted on the outside.
- 4. Landscaping improvements will include adding trees and shrubs along the Davis Street side of the building to create a nicer more modern look.
- 5. All pavement areas around the building will be repaired, replaced, recoated and restriped to bring the parking area up to a like new condition.
- 6. Improvements to the interior of the building include: 50,000 sq. ft. of segregated space designed to store chemicals. All areas will comply with California Fire and Building Codes.

We believe this proposed location of this project conforms to the objectives of the Zoning Code as well as the purposes of the district in which the site is located for the following reasons.

Warehousing is allowed in the IG(AU) District and Hazardous Materials are allowed in the IG(AU) District, subject to the approval of a conditional use permit. This area/zone currently has several other companies that either have an active Hazardous Material Business Plan HMBP or are active Hazardous Waste HW generators. The following bullet points are a summary of facilities within a one-half mile radius from 1251 Doolittle Drive.

- There is a combined total of 88 facilities;
- There are 81 HMBP facilities;
- There are 58 Hazardous Waste generators; and
- Of the 88 facilities 50 are both HMBP facilities and HW generators.

We believe the proposed location of the project and the proposed conditions under which it will be operated and maintained will be consistent with the General Plan; will not be harmful to the public health, safety or welfare of persons living or working in, or nearby, to the neighborhood of the proposed use; and will not be detrimental to properties or improvements in the area or to the general welfare of the City for the following reasons.

This facility will be designed to CBC/CFC specifications with safety features including but not limited to, spill control, secondary containment, ventilation and additional area fire separations. CSI is held to high standards by its customers and they exude a professional culture which has an excellent safety record. CSI will provide an HMBP and will work with state and local authorities to ensure a safe and code compliant facility.

We believe the proposed use will meet the requirements of the Zoning Code, including any specific condition required in the district in which it will be located.

The facility be seismically improved. It will incorporate California Building Code and California Fire Code safe design features and it will also be aesthetically improved.

We believe the proposed use will not create negative impacts on traffic or create demands exceeding the capacity of public services and facilities, which cannot be avoided or reduced.

The original development was designed for the same type of traffic, but for a larger amounts I.e. Employee vehicles and Semi-Trucks for deliveries. CSI's amount of employee traffic will be minimal compared to original designed use and there are several more dock spaces for Semi (shipping and receiving materials) at the facility than are currently needed by CSI.